

**REMARKS/ARGUMENTS**

By the above amendment of independent claim 1, and cancellation of dependent claim 8, Applicants believe that the rejection of claim 8 under 35 USC 112 has been overcome and should be withdrawn.

By the above amendment of claim 1, applicants believe that the rejection of claims 1, 6 and 7 under 35 USC 102(e) as anticipated by Takada has been overcome and should be withdrawn. As amended, claim 1 now recites structure (such as the radially-extending disc portion 61) unique to a radial piston or ball pump and motor combination ("hydrostatic transmission"), which structure is clearly not present in an axial piston device of the type taught by Takada.

More significantly for purposes of the present invention, it is believed to be clear to those skilled in the art that in Takada the oil filter 80 would inherently comprise a complete filter assembly, including supporting "structure" of the type required to enable the oil filter 80 to comprise a "stand alone" element. As was discussed in the background of the present application, one primary purpose of the present invention was to avoid the difficulty, expense, and packaging problem associated with adding a typical, prior art filter (i.e., a complete, stand alone filter assembly).

It is clear from a review of Takada that the reference does not teach, as does amended claim 1, a recessed area comprising part of the flow path, but having a flow area greater than that of the flow path, with a piece of filter material disposed within the recessed area, i.e., not an entire filter assembly including all of its expensive and space-consuming structure, but merely a piece of whatever material is being used to actually perform the filtering function.

Applicants believe that by the above amendment of claim 1, the several rejections under 35 USC 103(a) have also been overcome and should be withdrawn.

In summary, Applicants have amended the single independent claim in a manner which overcomes the rejections under sections 112 as well as under 102 and 103. Applicants believe that the case is now in condition for allowance and such action is earnestly solicited. However, Applicants further request that if the Examiner

does not yet consider the application to be allowable, that the Examiner enter the above amendments of the claims for purpose of placing the application in better condition for appeal.

Respectfully submitted,



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